

ILLEGIB

## CAN THE SOVIET UNION "STAND DOWN"?

1. How responsive is the Soviet system to political decisions to shift resources between the civilian and military sectors--outlined in a way that contrasts the Soviet system to the US system.

- a) the five-year planning cycle.
- b) the development of a rigid bureaucracy at the national and regional levels.
- c) the military-industrial complex.

2. All this implies the following:

- a) resistance to any effort to shift resources would be ferocious.
- b) even without undue resistance, the impact of any major resource shift would not become apparent for 10 or 15 years.
- c) any major shift of resources away from the military sector would require a fundamental change in the nature and structure of the Soviet state.

3. What the Russians can do short of fundamental change to perk up the economy through a minor shift of resources:

- a) to boost productivity--they can produce more consumer goods to encourage the workers, and they can shift R&D personnel from military technology to civilian technology.
- b) to clear bottlenecks--they can use materials now assigned to the military sector to fix up the transport system and the agricultural-machinery system.

4. The impact of these "quick fixes" on the economy, versus the cost.

5. Implications of the above for US policymakers.